

DDA SUBJECT FILE COPY

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Edward J. Maloney
D/OIT
2D00 Hqs

EXTENSION

NO.

DDA-2238x-87

DATE

19 Oct 87

TO: (Officer designation, room number, and building)

DATE

RECEIVED

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OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. DDA
7D18 Hqs

WAT

2. EXDIR
7E55 Hqs

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4. Return to:
Ed Maloney 2D00 Hqs

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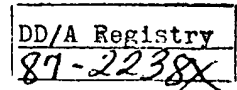
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MARTIN MARIETTA CORPORATION

6801 ROCKLEDGE DRIVE
BETHESDA, MARYLAND 20817
TELEPHONE (301) 897-6185

NORMAN R. AUGUSTINE
PRESIDENT AND CHIEF OPERATING OFFICER

October 13, 1987

Mr. Edward J. Maloney
Central Intelligence Agency
Office of Information Technology
Room 2D00 Hqtrs.
Washington, D. C. 20505

Dear Ed,

I thought that the presentations to the Industrial Advisory Board were very informative and am pleased to see that you are addressing some of the tough questions that were surfaced. Unfortunately, there seemed to be no right answer to many of them -- at least insofar as I am aware -- but certainly some answers are better than others and perhaps we can be helpful in steering you in that regard.

Some specific items which I think are worth your further thought are as follows:

- 1) Would you be better served to go to a direct charging approach for computer usage?
- 2) Is the current organizational relationship between computers and communications the most propitious one?
- 3) What can be done to make planning more the province of the senior leadership of the agency? Absent that, it is likely to be little more than a paper exercise. A realistic five-year plan would seem to be of the utmost importance -- one by which future performance can actually be measured.
- 4) At our company, we are experimenting with an "award fee" arrangement whereby the internal customers of our data and telecommunications activities assess and grade the service providers on a quarterly basis. Although no fee changes hands, the discipline and incentive introduced by this approach appear to have a great deal of promise. You might want to give some consideration to it.
- 5) Succession planning is perhaps one of the most important tasks of senior management. I will arrange to have the people at Martin Marietta responsible for our succession planning activities brief your people to whatever extent you might wish. I claim no particular excellence or expertise other than that our system does seem to work.

Mr. Edward J. Maloney
October 12, 1987
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6) In many cases I have seen substantial improvements in efficiency of data processing services when it is required that the cost of specialized equipment be included in the customer's budget rather than the provider's budget.

7) Are there ways you can further enhance the opportunities for people who wish to remain professional experts as opposed to broad managers to continue to advance -- both in prestige and salary.

I hope some of the above items at least trigger some useful thoughts in your mind. Again, it was a privilege to have had the chance to participate in the inaugural meeting. Please call upon me if I may be of any assistance in the way of follow-through to the above or other items.

All best personal regards.

Sincerely,



Norman R. Augustine

/ljc